

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6557**

**BILL NUMBER:** HB 1610

**NOTE PREPARED:** Dec 18, 2006

**BILL AMENDED:**

**SUBJECT:** Legislators' defined contribution plan.

**FIRST AUTHOR:** Rep. Elrod

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill repeals a provision concerning state contributions to the Legislators' Defined Contribution Fund. It makes conforming changes.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** This bill eliminates the state contribution to the Legislators' Defined Contribution Fund equal to 20% of an individual legislator's annual salary. Below is a table which shows four years of total taxable income for members of the General Assembly and the corresponding required 20% contribution. Eliminating the 20% contribution will save the state, on average, about \$1,004,000 per year. The fund affected is state General Fund.

Calendar Year	Taxable Income	20 % State Contribution
2002	\$4,379,341	\$875,868
2003	\$5,156,259	\$1,031,252
2004	\$5,162,186	\$1,032,437
2005	\$5,383,150	\$1,076,630
Total	\$20,080,936	\$4,016,187
4-year average	\$5,020,234	\$1,004,047

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** General Assembly.

**Local Agencies Affected:**

**Information Sources:** Salary data for members of the General Assembly for the years shown.

**Fiscal Analyst:** James Sperlik, 317-232-9866.